

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Required Report - public distribution

Date: 10/31/2014

GAIN Report Number: RS1483

Russian Federation

Dairy and Products Annual

2014 Dairy and Products Annual

Approved By:

Holly Higgins

Prepared By:

FAS Staff

Report Highlights:

FAS/Moscow forecasts annual domestic milk production to decline two percent in CY 2015 (to 29.3 MMT). In turn, imported fluid milk is forecast to remain flat (375,000 MT) as dairy processors continue to take advantage of the market opportunities for high-value dairy products. Production estimates for cheese (460,000 MT), butter (240,000 MT), and NFDm (85,000 MT) are expected to marginally increase next year, while WMP production is forecast to fall slightly from increased production levels in 2014. Imports of dairy products are expected to remain flat or increase slightly when compared to reduced 2014 import levels which have been impacted, in part, by Russia's decision to ban imports from several foreign suppliers.

Production

Cow Inventories

FAS/Moscow forecasts 2015 Russian cows-in-milk to fall by approximately 2.5 percent from revised 2014 estimates (to 7,850 head). Unlike in the pork and poultry sectors, and despite industry modernization and improved per-cow yields at large agricultural holdings, most of the dairy cattle in Russia are located on small-scale, less efficient farms. Although Russia is forecast to import nearly 100,000 head of live purebred cattle in 2014 (both dairy and beef cattle) to improve the quality of the pre-existing herd (see [RS1475](#)) – nearly the same volume imported in 2013 – these purebred animals are being imported by large-scale agricultural establishments (which account for less than half of Russia’s fluid milk production). Due to this reason, the long term decline of the Russian dairy cattle herd is expected to continue in 2014 and 2015.

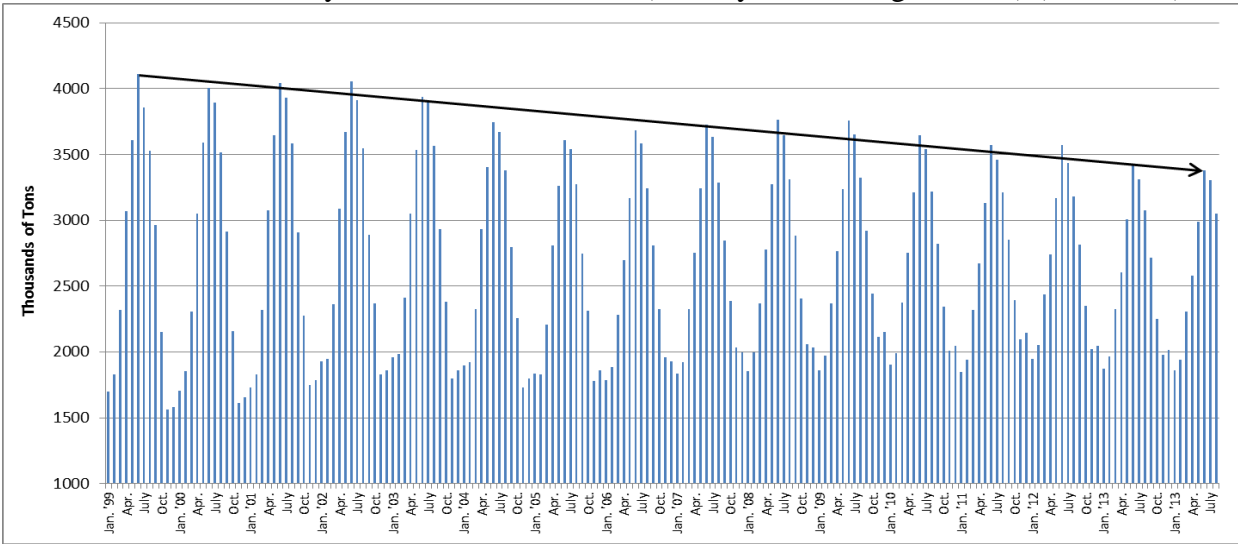
FAS/Moscow has also lowered the 2014 cows-in-milk forecast given the anticipated fluid milk production declines this year, and has slightly lowered 2013 estimates based on the availability of year-end milk production statistics.

Fluid Milk

FAS/Moscow forecasts 2015 fluid milk production to fall approximately two percent (to 29.3 MMT) from revised 2014 forecasted levels (i.e., 29.9 MMT). As previously noted in past reports, Russian domestic milk production still continues to fall even as facility modernization and improved farm management practices are being instituted at large-scale agricultural establishments.

FAS/Moscow has also decreased the 2014 forecast for milk production (by almost two percent to 29.9 MMT) as industry analysts are predicting a small decline in overall milk production in Russia this year. In addition, 2013 production levels have also been decreased by less than one-half percent to correlate with year-end statistics published by Rosstat.

Chart 1. Russian Monthly Fluid Milk Production (January 1999 - August 2014) (1,000 MT)

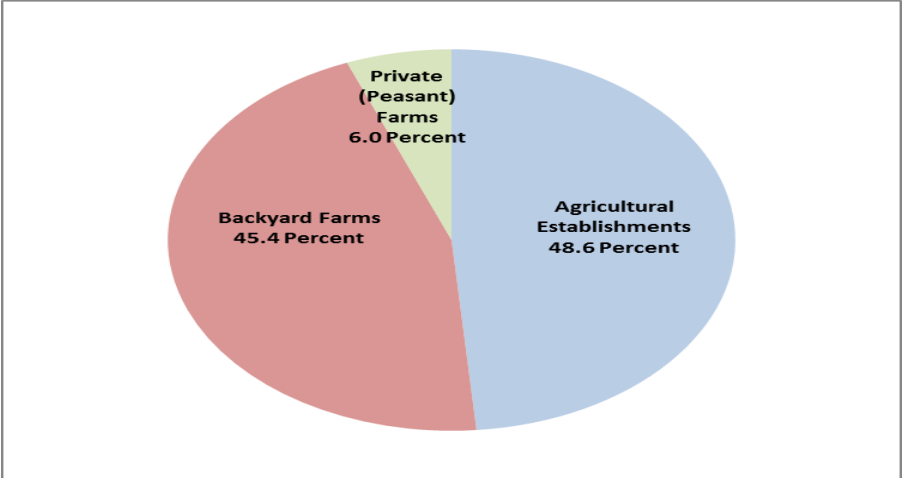


Source:

Rosstat

According to Rosstat, from January through June of this year, agricultural establishments accounted for less than half (i.e., 48.6 percent) of Russian fluid milk production (and less than one percent more than they accounted for during the first six months of 2013).

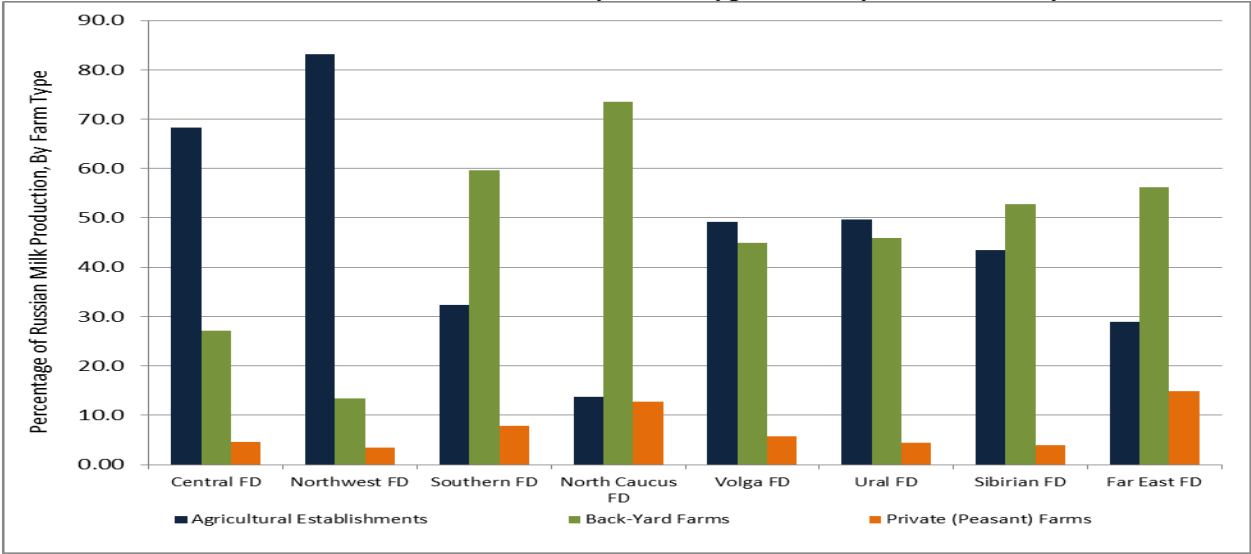
Chart 2. Percentage of Russian Fluid Milk Production, January-June 2014, by Farm Type



Source: Rosstat

The percentage of milk production at large-scale agricultural establishments is far less than the share of production these establishments account for in some other Russian agricultural industries (e.g., more than 90 percent of Russian poultry production comes from agricultural establishments). Moreover, the percentage of milk production accounted for by agricultural establishments differs across Russia’s Federal Districts -- accounting for a high of 83 percent of production in the Northwest and a low of only 14 percent in the North Caucasuses.

Chart 3. Percent of Russian Milk Production by Farm Type, January-June 2014, by Federal District



Source: Rosstat

NOTE: The Russian regions accounting for the largest share of production, through September 2014, were the Republic of Tatarstan, Krasnodar Kray, Moscow Oblast, the Republic of Udmurtia, Altai Kray, and the Republic of Bashkortostan.

Most of the small-scale farms, which collectively account for slightly more than 50 percent of the fluid milk in Russia, use less intensive production methods, are excluded from efficient distribution channels, and are more vulnerable to economic factors, such as fluctuations in prices. According to industry analysts, high interest rates for long-term loans (e.g., 8-15 years at 14-15 percent), delays in receiving state subsidies (from 3 to 6 months), and currency depreciation¹ negatively impacted the economic strength of Russian dairy producers (particularly small-scale producers). The increased cost of doing business has had a direct effect on the volume of fluid milk production. According to the Russian National Union of Milk Producers (Soyuzmoloko) sectoral profitability (including for agricultural establishments) will not be reached without continued subsidies due to high production costs in Russia.

Even though some state support measures offered to milk producers (e.g., per-liter subsidies, interest rate subsidies for investment loans, grants for farmers, etc.) are available to both large and small-scale farmers, most of these support programs aim to further consolidate the industry and were designed for the benefit of large-scale agricultural establishments. Rosstat reports that slightly more than 60 percent of all of the raw milk produced by all types of agricultural producers in Russia was sold for further industrial processing. However, Rosstat also reports that 92 percent of raw fluid milk produced by large-scale agricultural establishments was sold for further processing.

Given that industry sources believe a substantial portion of raw milk produced by household farms is consumed on-farm, these farmers are often unable to collect subsidies, earn income on sales, etc. As such, small-scale Russian dairy farmers have limited access to financial resources required for herd maintenance, enhancing productivity, and modernizing operations, and cannot compete on the same economy-of-scale with agricultural establishments.

Table 1. Russia: Fluid Milk Supply and Distribution, 1,000MT

Dairy, Milk, Fluid Russia	2013		2014		2015	
	Market Year Begin: Jan 2013		Market Year Begin: Jan 2014		Market Year Begin: Jan 2015	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Cows In Milk	8,425	8,250	8,200	8,050		7,850
Cows Milk Production	30,661	30,529	30,500	29,900		29,300
Total Production	30,661	30,529	30,500	29,900		29,300
Total Imports	316	316	330	375		375
Total Supply	30,977	30,845	30,830	30,275		29,675
Total Exports	27	22	30	20		15
Fluid Use Dom. Consum.	10,200	10,150	10,000	9,825		9,625
Factory Use Consum.	18,400	18,350	18,500	18,200		17,900
Feed Use Dom. Consum.	2,350	2,323	2,300	2,230		2,135
Total Dom. Consumption	30,950	30,823	30,800	30,255		29,660

¹ Based on data from the Central Bank of the Russian Federation, between January 1, 2014, and October 25, 2014, the ruble fell almost 30 percent against the dollar. See, e.g., http://www.cbr.ru/eng/currency_base/dynamics.aspx.

Total Distribution	30,977	30,845	30,830	30,275		29,675
--------------------	--------	--------	--------	--------	--	--------

NOTE: Official USDA data is available at <http://www.fas.usda.gov/psdonline/psdHome.aspx>

Cheese

FAS/Moscow forecasts 2015 Russian cheese production to increase by slightly more than two percent (compared to revised 2014 production forecasts), to 460,000 MT. Dairy processors are expected to continue to take advantage of the market opportunities for high-valued dairy products given, in part, the reduced availability of foreign cheeses because of a myriad of restrictions placed on traditional foreign suppliers.

Given the forecasted decrease in domestic milk production in 2014, FAS/Moscow has decreased the 2014 cheese production forecast by nearly two percent, to 450,000 MT (however, based on full year data, this still amounts to a nearly five percent increase in production over revised 2013 levels). As previously noted, some traditional foreign cheese suppliers (e.g., the European Union and, to a lesser extent, Australia and Norway) have been restricted from the market as a result of an August 2014 ban on imports (see, e.g., [RS1455](#)), while others (e.g., Ukraine) have been restricted due to residue detections and labeling concerns. This has resulted in improved market opportunities for Russian cheese (see the trade section below for more information). As was the case in 2013, Russian cheese manufacturers are expected to continue to make use of imported fluid milk (e.g., from Belarus), as needed, to partially supplement for reduced domestic supplies.

Overall 2013 cheese production levels have been decreased by nearly 6.5 percent to correlate with year-end statistics published by Rosstat.

Table 2. Russia: Cheese Supply and Distribution, 1,000 MT

Dairy, Cheese Russia	2013		2014		2015	
	Market Year Begin: Jan 2013		Market Year Begin: Jan 2014		Market Year Begin: Jan 2015	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks	12	12	8	8		10
Production	460	430	460	450		460
Total Imports	364	364	355	230		240
Total Supply	836	806	823	688		710
Total Exports	16	16	15	10		5
Total Dom. Consumption	812	782	798	668		695
Total Use	828	798	813	678		700
Ending Stocks	8	8	10	10		10
Total Distribution	836	806	823	688		710

NOTE: Official USDA data is available at <http://www.fas.usda.gov/psdonline/psdHome.aspx>

Butter

FAS/Moscow anticipated 2015 butter production to increase slightly over revised 2014 levels (by two percent to 240,000 MT). FAS/Moscow has increased the forecast for 2014 Russian butter production by almost 4.5 percent, to 235,000 MT. According to industry sources and government statistics, 2014 Russian butter production was 17 percent higher through June 2014 than it was during the same period in 2013. Russian processors reportedly increased production of dried milk powder this year (particularly NFDM) and directed more fats to butter production.

Additionally, 2013 production levels have been decreased by nearly 2.5 percent to correlate with year-end statistics published by Rosstat.

Table 3. Russia: Butter Supply and Distribution, 1,000 MT (butter-equivalent)

Dairy, Butter Russia	2013		2014		2015	
	Market Year Begin: Jan 2013		Market Year Begin: Jan 2014		Market Year Begin: Jan 2015	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks	10	10	10	10		10
Production	225	219	225	235		240
Total Imports	136	136	155	120		120
Total Supply	371	365	390	365		370
Total Exports	3	2	4	2		2
Domestic Consumption	358	353	376	353		358
Total Use	361	355	380	355		360
Ending Stocks	10	10	10	10		10
Total Distribution	371	365	390	365		370

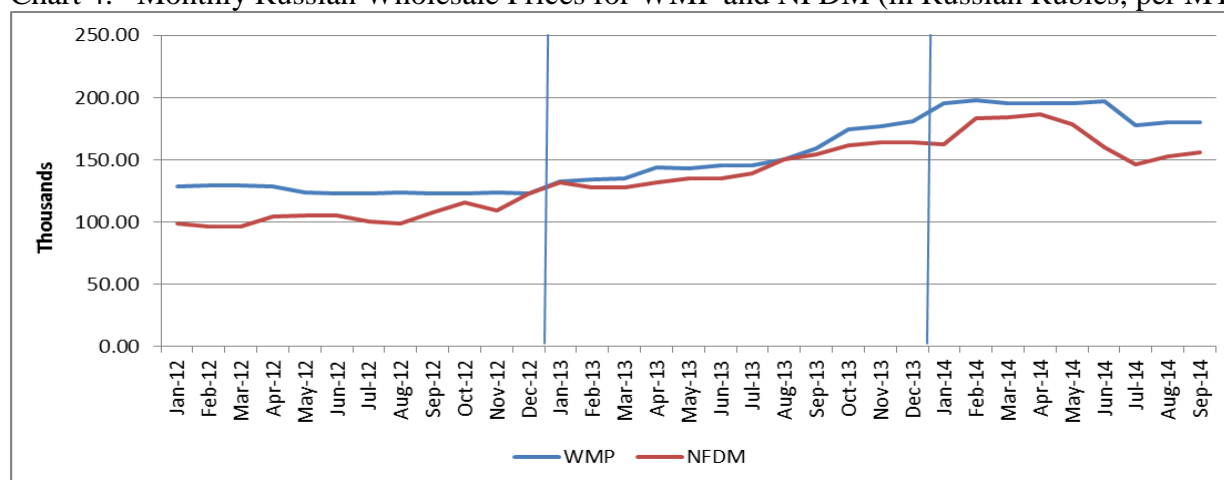
NOTE: Official USDA data is available at <http://www.fas.usda.gov/psdonline/psdHome.aspx>

Whole Milk Powder (WMP) and Non-Fat Dry Milk (NFDM)

FAS/Moscow anticipates Russian production of WMP to decrease in 2015 (down 5,000 MT to 65,000 MT) while production of NFDM will continue to increase (up nearly six percent to 85,000 MT) when compared to revised 2014 production forecasts. NFDM is being used, in part, as an ingredient to reduce the fat content of some domestically produced dairy products. This trend is expected to continue in 2015 as consumers (namely processors) do not report the same quality concerns with domestically produced NFDM as they do for WMP. Industry analysts report that Russia has few producers which specialize in high quality WMP production. The majority of domestic WMP production in Russia is reportedly a by-product of other processing activities and, as a result, is reportedly less pure than production from specialized producers.

Total 2014 Russian production of NFDM and WMP is forecast to increase in 2014 as a result of incentivized production in the summer which resulted from processors drying more milk given a reported surplus of available raw milk at the mid-year point. This production increase is also possibly attributable, in part, to increased wholesale prices in Russia during the latter half of 2013 and spring of 2014.

Chart 4. Monthly Russian Wholesale Prices for WMP and NFDM (in Russian Rubles, per MT)



Source: Rosstat

As previously reported, despite having well-equipped production facilities with modern technologies and sufficient experience to be able to produce high quality dried whole milk, major Russian WMP consumers (namely confectionary manufacturers) reportedly continue to prefer higher quality imported WMP over what is produced domestically.

Overall 2013 WMP and NFDM production levels have also been revised slightly to account for industry analyst comments that NFDM accounted for a larger share of production than previously believed. In fact, industry sources report, given demand, that NFDM is accounting for a larger share of domestic dried milk production.

Table 4. Russia: Whole Milk Powder (WMP) Supply and Distribution, 1,000 MT

Dairy, Dry Whole Milk Powder Russia	2013		2014		2015	
	Market Year Begin: Jan 2013		Market Year Begin: Jan 2014		Market Year Begin: Jan 2015	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Production	65	60	60	70		65
Total Imports	44	44	52	40		40
Total Supply	109	104	112	110		105
Total Exports	1	1	1	1		1
Total Dom. Consumption	108	103	111	109		104
Total Use	109	104	112	110		105
Total Distribution	109	104	112	110		105

NOTE: Official USDA data is available at <http://www.fas.usda.gov/psdonline/psdHome.aspx>

Table 5. Russia: Non-Fat Dry Milk (NFD) Supply and Distribution, 1,000 MT

Dairy, Milk, Nonfat Dry Russia	2013		2014		2015	
	Market Year Begin: Jan 2013		Market Year Begin: Jan 2014		Market Year Begin: Jan 2015	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Production	50	56	50	80		85
Total Imports	131	131	130	85		85
Total Supply	181	187	180	165		170
Total Exports	3	3	3	4		5
Total Dom. Consumption	178	184	177	161		165
Total Use	181	187	180	165		170
Total Distribution	181	187	180	165		170

NOTE: Official USDA data is available at <http://www.fas.usda.gov/psdonline/psdHome.aspx>

Consumption

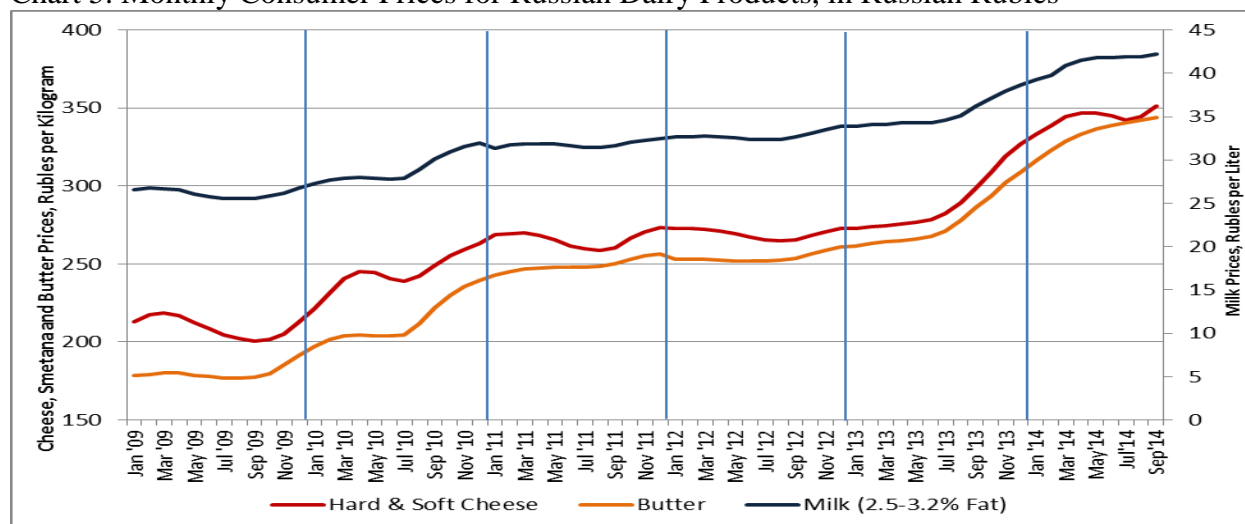
FAS/Moscow forecasts fluid milk domestic consumption in 2015 to fall nearly two percent as fluid milk production is expected to fall by nearly the same percentage, and as total supplies are forecast to be marginally lower than they were in 2014. According to © Euromonitor International (Euromonitor), almost 100 percent of drinking milk products in Russia are sold in retail stores. Euromonitor reports that slightly more than half of these products are sold in modern grocery retailers (e.g., hypermarkets and supermarkets), followed by traditional grocery retailers which account for slightly less than half. Non - grocery retailers and internet retailers account for a very small percentage of sales (e.g., slightly more than two percent).

Cheese consumption levels in 2015 are expected to grow, but to remain well below 2013 levels (i.e., still down nearly 11 percent) -- when many of the current trade restrictions were not in effect. Meanwhile, while butter and dried milk imports have recently declined, production increases are forecast to marginally increase consumption of butter and NFD. Consumption levels for WMP are anticipated to decline slightly in 2015 as a result of a forecasted decrease in production.

In general, milk consumption is expected to fall again in 2014 as domestic production slowed and consumer prices for many dairy products, including cheese, sour cream (smetana), butter, and fluid milk (2.5-3.2 percent fat) have continued to increase. FAS/Moscow's 2014 cheese consumption forecast is revised downward because of an anticipated decrease in imports as a result of trade restrictions placed on several foreign suppliers. These trade restrictions should, to some extent, benefit domestic cheese producers. FAS/Moscow's 2014 butter consumption forecast remains flat when compared to revised 2013 levels. Consumption of WMP is expected to increase slightly because of forecasted production increases. However, for NFD, despite forecasted production increases, consumption is still expected to decline as a result of anticipated reductions in imports.

The consumer price for fluid milk (2.5-3.2 percent fat) increased by nearly 7.5 percent, through September 2014 (from 39.25 rubles per liter in January to 42.18 in September). Likewise, the price for several traditional dairy products has also increased over the course of the year (e.g., 5.4 percent for hard and soft cheese -- to 351.33 rubles/kg in September 2014, 8.4 percent for sour cream (smetana) -- to 150.07 rubles/kg, and nearly 9 percent for butter -- to 343.95 rubles/kg).

Chart 5. Monthly Consumer Prices for Russian Dairy Products, in Russian Rubles



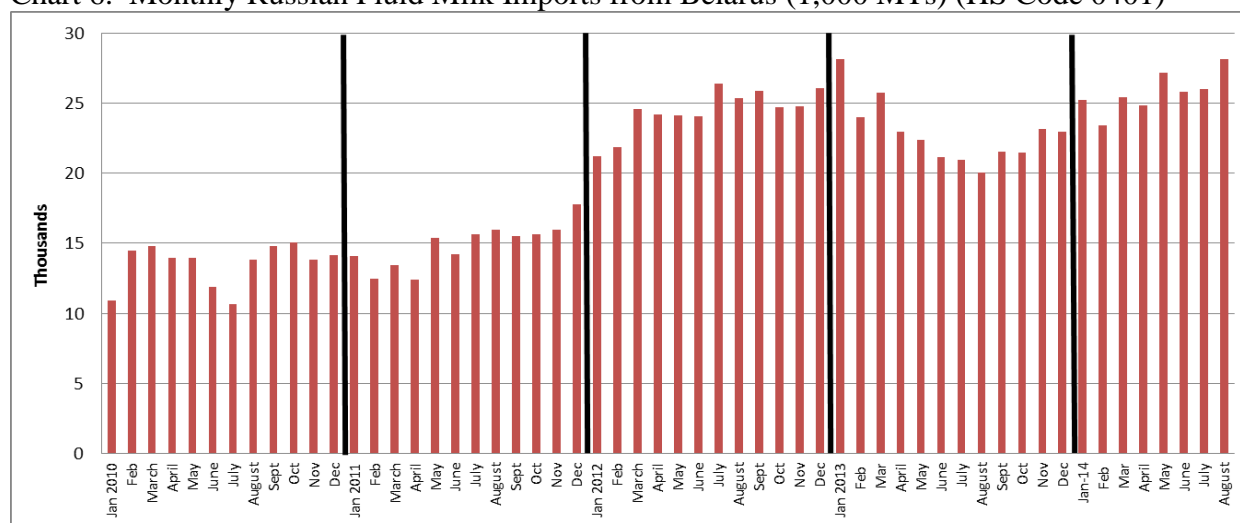
Source: Rosstat

Trade

FAS/Moscow forecasts 2015 fluid milk imports to remain flat when compared to revised 2014 estimates (i.e., 375,000 MT). If the Russian ruble further weakens, however, it could yield reduced market opportunities for foreign products, both milk and further processed dairy products.

In August 2014, the Russian Government instituted a one-year ban on the supply of many milk and dairy products (i.e., HS codes 0401, 0402, 0403, 0404, 0405, 0406 – with the exception of lactose-free milk and lactose-free dairy products), among other products, from the United States, the European Union, Canada, Australia, and Norway in response to sanctions placed on Russia (see, e.g., [RS1455](#)). Despite this, FAS/Moscow has increased the 2014 fluid milk import forecast by nearly 14 percent (to 375,000 MT). Nearly 12 percent of the fluid milk Russia imported in 2013 and during the first seven months of 2014 was supplied by the now restricted countries. However, milk and cream exports from Belarus, which accounted for almost 80 percent of all Russian imports through July 2014, were nearly 7.5 percent higher than they were at the same point in 2013, and were 11 percent higher year-on-year through August.

Chart 6. Monthly Russian Fluid Milk Imports from Belarus (1,000 MTs) (HS Code 0401)

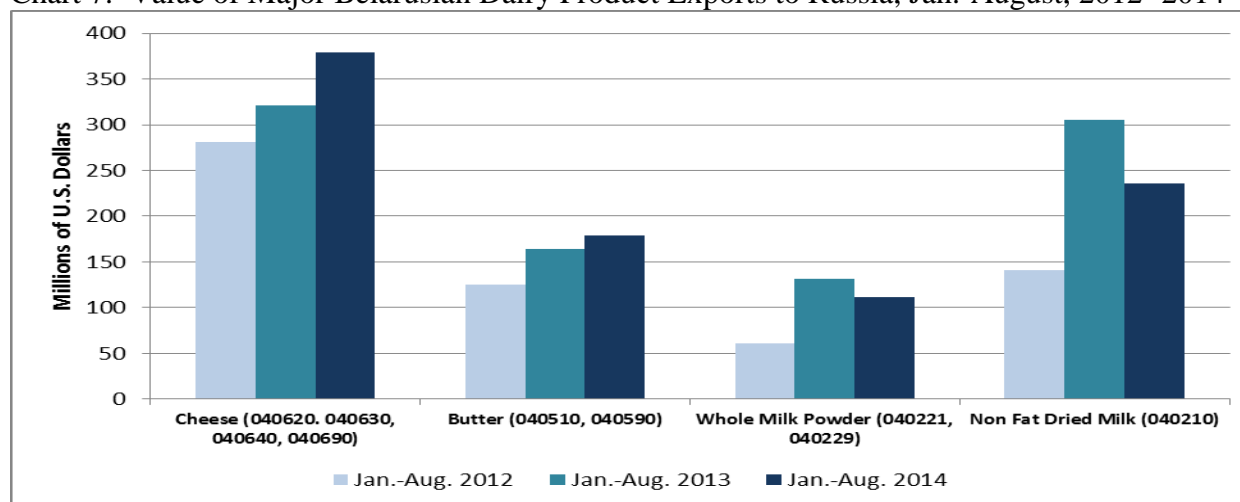


Source: Belstat

In addition, Russian trade data shows milk and cream imports from Kazakhstan up 260 percent through July, and, while much smaller in volume, increases in trade from both Uruguay and Serbia.

As has been the case in recent years, the majority of Russia's dairy imports continue to originate from Belarus. During the first seven months of 2014, Belarusian exports accounted for 77 percent of the volume of Russian fluid milk imports (down from 85 percent during the same period in 2013), 30 percent of cheese (up from 28 percent), 31 percent of butter (down from 35 percent), 81 percent of Russian WMP (down from 96 percent), and 79 percent of NFDM (down from 78 percent).

Chart 7. Value of Major Belarusian Dairy Product Exports to Russia, Jan.-August, 2012- 2014



Source: Belstat

While FAS/Moscow has forecast a nearly four percent increase in cheese imports in 2015 (over a revised 2014 estimate) as new suppliers (e.g., Turkey) reportedly intend to enter the market and existing suppliers (e.g., Argentina, Uruguay, and Switzerland) reportedly intend to increase shipments, FAS/Moscow has decreased its 2014 forecast for Russian cheese imports by nearly 35 percent as a result of the imposition of trade restrictions on many traditional foreign cheese suppliers (e.g., EU, Australia, Norway, and Ukraine). The recently restricted countries accounted for 67 percent of the volume of imports during the first seven months of the year, and total year-on-year imports of cheese through July were already down roughly 12 percent. Despite the stated intent of some South American countries, as well as others, to increase dairy supplies to Russia in the near future, it is unlikely these countries will be fully capable of backfilling the deficit in cheese supplies from the restricted foreign suppliers.

With regard to butter, FAS/Moscow forecasts imports to remain flat in 2015 (i.e., 120,000 MT), but has decreased the 2014 import forecast, by slightly more than 20 percent (from 155,000 MT to 120,000 MT). Restrictions on foreign suppliers have eliminated product from countries which accounted for nearly 40 percent of the volume of butter imports during the first seven months of the year. Although three of the top four foreign suppliers, by volume (i.e., Belarus, New Zealand, and Uruguay), continue to have market access, it appears unlikely they will be able to fully backfill absent supplies as all three shipped lower volumes through July than they did during the same period last year. Domestic production increases are also anticipated, to some extent, to dampen demand for foreign product.

FAS/Moscow forecasts WMP imports to remain flat in 2015. However, through July 2014, Russian WMP imports were nearly six percent lower than they were during the same period in 2013, and restrictions have eliminated nearly nine percent of what was supplied during this period. Accordingly, FAS/Moscow has reduced its import estimates for WMP (to 40,000 MT).

Meanwhile, NFDI imports are forecast to remain flat in 2015 after a significant decrease in imports in 2014, in part, as a result of increased domestic production. NFDI imports, through July, were nearly 30 percent lower than they were through July 2013, and restrictions eliminated nearly 15 percent of what was imported through July of this year. FAS/Moscow has therefore reduced its NFDI import forecast by approximately 35 percent (to 85,000 MT) for 2014.

Policy

The Russian National Union of Milk producers (Soyuzmoloko) has developed and submitted to the Russian Ministry of Agriculture a draft proposal for State support for the Russian dairy industry through 2020. The draft program defines the long-term goals of the dairy industry's transformation along with what it argues are economically proven measures of state support. The program sets fluid milk production goals in accordance with the Food Security Doctrine of the Russian Federation (see, e.g., [RS1008](#)), and outlines the following operational performance goals:

- growth of total fluid milk produced by all agricultural establishments for further industrial processing to 23.6 million MT in 2020;
- domestic production will account from 78 percent of the share of domestically available dairy products (up from 66.5 percent);
- beginning in 2016, increasing the dairy cow herd at all agricultural establishments across Russia by an additional 363 thousand head (to be accomplished by 2020); and,

- growth of annual per-cow milk production at agricultural establishments of up to 6.5 MT per year.

Soyuzmoloko has put forward several different proposals depending on how much money the government is able/willing to dedicate to the industry's development. Soyuzmoloko reports that without government support for the industry, some existing operations will close due to delays in subsidy payments, prices will remain volatile (leading to increasing imports), and fluid milk production will continue to fall on an annual basis. If government support levels keep pace with recent trends (e.g., 12.7 billion rubles for per-liter milk production support in 2013, etc.), Soyuzmoloko forecasts some existing operations will close due to delays in subsidy payments, imports will increase at a rate of 5 percent per year, and fluid milk production will remain flat.

Soyuzmoloko posits that with 427 billion rubles (slightly more than \$10 billion) of state support dedicated to the industry from 2015-2020 (its preferred option), the industry will be able to reach the goals referenced above (with only some small-scale enterprises closing during the period). However, it remains unclear, at present, how the government will fully fund the proposal, and, if it does not, at what level the industry will be supported.

For additional information, see:

[Eurasian Economic Commission Announces 2015 Meat Poultry Whey TRQs – RS1456](#)

[Amended List of Banned US Agricultural Products – RS1455](#)

[2014 Dairy and Product Semi Annual – RS1436](#)

[Customs Union Technical Regulation on Milk and Dairy Products – RS1382](#)

Production Information

Table 6. Russian Annual Per-Cow Milk Production, Kilograms

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
All Farms	2651	2797	2949	3037	3176	3356	3501	3595	3737	3776	3851	3898	3893
Agricultural establishments	2551	2802	2976	3065	3280	3564	3758	3892	4089	4189	4306	4521	4519
Household farms	2767	2812	2948	3043	3130	3249	3378	3456	3513	3510	3553	3489	3496
Private farms	2328	2401	2538	2565	2607	2642	2714	2746	3268	3291	3360	3372	3323

Source: Rosstat

Table 7. Russian Quarterly Milk Production, All Types of Producers, 1999- Q2 2014, 1,000 MT

Year	Annual	Quarters			
		I	II	III	IV
1999	32,274	5,846	10,784	10,347	5,297
2000	32,259	5,861	10,646	10,323	5,429
2001	32,874	5,879	10,766	10,419	5,810
2002	33,462	6,240	10,813	10,352	6,057
2003	33,316	6,358	10,519	10,400	6,039
2004	31,861	6,149	10,081	9,844	5,787
2005	31,070	5,880	9,677	9,559	5,954
2006	31,339	5,946	9,552	9,633	6,208
2007	31,988	6,080	9,723	9,766	6,419
2008	32,363	6,218	9,814	9,835	6,496
2009	32,570	6,201	9,764	9,898	6,707
2010	31,847	6,270	9,610	9,573	6,394
2011	31,646	6,109	9,380	9,524	6,633
2012	31,756	6,434	9,480	9,427	6,415
2013	30,529	6,164	9,022	9,101	6,242
2014		6,106	8,948		

Source: Rosstat

Table 8. January-June 2014 Russian Fluid Milk Production, by Region, 1,000MT

	All Farms		
	January –June 2013	January –June 2014	2013/2014 Percent Difference
RUSSIAN FEDERATION	7221.1	7301.1	101.1
<i>CENTRAL DISTRICT</i>	1893.9	1887.8	99.7
Belgorod region	184.1	190.9	103.7
Bryansk region	94.2	92.0	97.6
Vladimir region	163.3	161.5	98.9
Voronezh region	209.1	226.1	108.1
Ivanovo region	57.4	57.5	100.2
Kaluga region	91.4	91.2	99.8
Kostroma region	39.4	38.2	96.9
Kursk region	82.0	83.1	101.3
Lipetsk region	83.5	81.7	97.8
Moscow region	306.3	295.2	96.4
Orel region	70.3	62.2	88.5
Ryazan region	155.9	155.7	99.9
Smolensk region	79.2	64.5	81.4
Tambov region	22.3	27.7	124.3
Tver region	70.9	66.4	93.7
Tula region	54.3	59.7	110.0
Yaroslavl region	115.6	119.9	103.7
City of Moscow	14.7	14.5	98.8
<i>NORTHWEST DISTRICT</i>	691.4	699.9	101.2
The Republic of Karelia	27.5	29.1	105.7
The Republic of Komi	17.5	17.2	98.4
Arkhangelsk region	40.3	41.8	103.9
Nenets Autonomous District	1.5	1.5	96.6
Vologda region	200.6	201.3	100.3
Kaliningrad region	36.6	40.2	109.9
Leningrad Region	258.1	260.8	101.1
Murmansk region	13.3	11.0	82.5
Novgorod region	26.6	24.5	92.0
Pskov region	70.8	73.9	104.4
<i>SOUTHERN DISTRICT</i>	496.2	498.5	100.5
The Republic of Adygea	2.7	2.7	100.7
The Republic of Kalmykia	0.1	0.1	85.5
Krasnodar region	413.3	416.8	100.8
Astrakhan region	1.2	0.6	55.1
Volgograd region	23.5	22.8	97.4
Rostov region	55.4	55.4	100.0
<i>NORTH-CAUCUS FEDERAL DISTRICT</i>	174.9	178.5	102.0
The Republic of Dagestan	56.9	58.5	102.8
The Republic of Ingushetia	0.03	0.5	N/A
Kabardino-Balkaria	29.0	29.1	100.2
Karachay-Cherkessia	6.7	6.1	92.1
Republic of North Ossetia-Alania	12.4	11.9	95.8

Chechen Republic	1.0	0.9	85.2
Stavropol region	68.9	71.5	103.9
<i>VOLGA FEDERAL DISTRICT</i>	174.9	178.5	102.0
The Republic of Bashkortostan	56.9	58.5	102.8
The Republic of Mari El	0.03	0.5	N/A
The Republic of Mordovia	29.0	29.1	100.2
The Republic of Tatarstan	6.7	6.1	92.1
Udmurt Republic	12.4	11.9	95.8
Chuvash Republic	1.0	0.9	85.2
Perm	68.9	71.5	103.9
Kirov region	233.8	243.2	104.0
Nizhny Novgorod region	229.5	231.0	100.7
Orenburg region	116.7	113.2	97.0
Penza region	83.3	77.5	93.1
Samara region	72.6	72.8	100.3
Saratov region	61.1	60.0	98.2
Ulyanovsk region	42.9	41.5	96.8
<i>URAL FEDERAL DISTRICT</i>	500.4	511.4	102.2
Kurgan region	39.7	38.2	96.3
Sverdlovsk region	231.9	249.9	107.8
Tyumen Region	141.3	137.6	97.3
Khanty-Mansi Autonomous District Yugra	2.8	2.3	80.3
Yamal-Nenets Autonomous District	0.8	1.0	113.9
Chelyabinsk region	87.5	85.7	98.0
<i>SIBERIAN FEDERAL DISTRICT</i>	1078.1	1101.8	102.2
Altai Republic	5.5	4.5	82.5
The Republic of Buryatia	6.7	5.9	87.2
The Republic of Tuva	1.7	2.0	113.4
The Republic of Khakassia	18.7	17.1	91.5
Altay	278.4	280.7	100.8
Trans-Baikal Territory	2.9	3.0	103.1
Krasnoyarsk Territory	185.5	183.3	98.8
Irkutsk Region	59.0	63.9	108.3
Kemerovo region	69.1	72.6	105.0
Novosibirsk region	249.3	262.8	105.4
Omsk Region	164.6	171.6	104.3
Tomsk region	36.7	34.5	93.9
<i>FAR EAST FEDERAL DISTRICT</i>	73.2	66.6	91.0
The Republic of Sakha (Yakutia)	13.2	13.8	104.4
Kamchatka	3.7	3.8	102.3
Primorsky Krai	17.3	15.4	89.0
Khabarovsk Krai	13.8	12.7	92.3
Amur Region	18.0	13.9	77.1
Magadan region	0.6	0.3	52.9
Sakhalin Region	6.1	6.5	106.2
Jewish Autonomous Region	0.5	0.3	57.1
Chukotka Autonomous District	0.02	0.01	74.4

Source: Rosstat

Trade Tables

Table 9. Russian Imports of Dairy Products (2010-2013, and January-July 2013-2014), MT

	Calendar Year				January – July (YTD) [■]		
	2010	2011	2012	2013	2013 (Jan-Jul)	2014 (Jan-Jul)	YTD Percent Change
Cheese (040620, 040630, 040640, 040690)							
World	264441	254769	261846	268088	148274	125994	-15.02
Belarus *	88886	88873	95404	96032	56524	53571	-5.22
Total	353327	343642	357250	364120	204798	179565	-12.32
Butter (040510, 040590)							
World	72088	73443	67994	89843	52284	58580	11.41
Belarus *	39730	40755	49478	45936	28279	26150	-7.53
Total	111818	114198	117472	135779	80563	84730	5.17
WMP (040221, 040229)							
World	14736	5319	2310	3617	957	4421	391.96
Belarus *	25166	14871	25005	39974	23982	19132	-20.22
Total	39902	20190	27315	43591	24939	23553	-5.56
NFDM (040210)							
World	62819	27179	26695	38800	16466	10962	-33.42
Belarus *	53507	44238	69140	91755	58310	40887	-29.88
Total	116326	71417	95835	130555	74776	51849	-30.66
Milk And Cream, Not Concentrated (0401)							
World	27570	27140	30985	41111	27858	52840	89.67
Belarus *	162363	178503	293107	274459	165411	177724	7.44
Total	189933	205643	324092	315570	193269	230564	19.30

Source: Customs Committee of Russia / Federal Customs Service

(* Belarusian exports to Russia as reported by Belstat)

([■] YTD trade data includes imports from Kazakhstan)

Table 10. Russian Imports of Milk and Cream, Not Concentrated Nor Containing Added Sweetening (0401)

Annual Series: 2009 – 2013 and YTD July 2013 and 2014, MT

Partner Country	Calendar Year					Year To Date		
	2009	2010	2011	2012	2013	07/2013	07/2014	%Change
World	13132	27570	27140	30985	41111	27858	52840	153.00
EU	13118	27482	27128	30904	40581	20884	27654	32.42
<i>Finland</i>	<i>6541</i>	<i>8684</i>	<i>13479</i>	<i>15867</i>	<i>17815</i>	<i>9555</i>	<i>12576</i>	<i>31.62</i>
<i>Estonia</i>	<i>1732</i>	<i>9899</i>	<i>4454</i>	<i>5101</i>	<i>8390</i>	<i>4334</i>	<i>3737</i>	<i>-13.76</i>
<i>Poland</i>	<i>444</i>	<i>2119</i>	<i>755</i>	<i>1077</i>	<i>3816</i>	<i>1709</i>	<i>3079</i>	<i>80.16</i>
<i>Latvia</i>	<i>390</i>	<i>582</i>	<i>705</i>	<i>10</i>	<i>514</i>	<i>3</i>	<i>2553</i>	<i>--</i>

Source: Customs Committee of Russia / Federal Customs Service

*Excluding Belarus

Table 11. Russian Imports of Cheese (040620, 040630, 040640, 040690),

Annual Series: 2009 - 2013 and YTD July 2013 and 2014, MT

Partner Country*	Calendar Year					Year To Date		
	2009	2010	2011	2012	2013	07/2013	07/2014	%Change
World	205312	264441	254769	261846	268088	148274	125994	-15.02
EU	136350	189962	178681	199447	210656	114713	106844	-6.86
<i>Netherlands</i>	<i>16426</i>	<i>24509</i>	<i>29137</i>	<i>34210</i>	<i>52657</i>	<i>24085</i>	<i>23259</i>	<i>-3.43</i>
<i>Finland</i>	<i>23599</i>	<i>29507</i>	<i>30936</i>	<i>28526</i>	<i>32757</i>	<i>17989</i>	<i>18437</i>	<i>2.49</i>
<i>Lithuania</i>	<i>23715</i>	<i>22845</i>	<i>26511</i>	<i>28708</i>	<i>24182</i>	<i>17874</i>	<i>16532</i>	<i>-7.51</i>
<i>Poland</i>	<i>5864</i>	<i>13755</i>	<i>11429</i>	<i>20594</i>	<i>25966</i>	<i>13384</i>	<i>14495</i>	<i>4.78</i>
<i>Germany</i>	<i>44338</i>	<i>74857</i>	<i>54235</i>	<i>58114</i>	<i>37658</i>	<i>20937</i>	<i>13603</i>	<i>-35.03</i>
Ukraine	61567	66408	68395	54918	49517	29377	11334	-61.42

Source: Customs Committee of Russia / Federal Customs Service

*Excluding Belarus

Table 12. Russian Imports of Butter (040510, 040590)

Annual Series: 2009 - 2013 and YTD July 2013 and 2014, MT

Partner Country	Calendar Year					Year To Date		
	2009	2010	2011	2012	2013	07/2013	07/2014	%Change
World	54033	72088	73443	67994	89843	52284	58580	11.41
EU	20982	32846	26887	22546	28717	14488	16978	17.19
<i>Finland</i>	<i>12604</i>	<i>11910</i>	<i>11715</i>	<i>11069</i>	<i>11295</i>	<i>6392</i>	<i>6092</i>	<i>-4.69</i>
<i>France</i>	<i>2482</i>	<i>5132</i>	<i>4936</i>	<i>4548</i>	<i>5744</i>	<i>3115</i>	<i>3275</i>	<i>5.13</i>
Australia	1760	3237	3756	4348	9268	4822	14549	201.69
New Zealand	26371	27111	30550	21715	23882	20152	13524	-32.89
Uruguay	879	2033	5271	12350	16430	8240	6377	-22.61
Argentina	3150	3044	5082	6361	10310	4174	5970	43.00

Source: Customs Committee of Russia / Federal Customs Service

*Excluding Belarus

Table 13. Russian Imports of WMP (040221, 040229)
Annual Series: 2009 - 2013 and YTD July 2013 and 2014, MT

Partner Country	Calendar Year					Year To Date		
	2009	2010	2011	2012	2013	07/2013	07/2014	%Change
World	4582	14736	5319	2310	3617	957	4421	361.96
EU	3944	6460	2811	807	2212	663	1702	156.86
<i>Belgium</i>	780	1948	275	150	657	75	622	733.67
<i>Poland</i>	62	62	5	4	222	41	533	1241.56
<i>Portugal</i>	45	304	122	243	168	131	180	37.57
<i>France</i>	786	1477	68	73	517	59	174	196.02
<i>Latvia</i>	225	426	251	108	56	56	66	17.86
<i>Finland</i>	460	501	126	25	355	201	64	-68.35
Argentina	200	2614	725	503	390	65	1666	2463.08
Australia	0	201	361	277	79	0	215	--
Ukraine	439	3285	456	417	5	--	138	--
Armenia	0	0	0	0	302	151	126	-16.56

Source: Customs Committee of Russia / Federal Customs Service

*Excluding Belarus

Table 14. Russian Imports of NFD (040210)
Annual Series: 2009 - 2013 and YTD July 2013 and 2014, MT

Partner Country	Calendar Year					Year To Date		
	2009	2010	2011	2012	2013	07/2013	07/2014	%Change
World	7973	62819	27179	26695	38800	16466	10962	-33.42
EU	7198	50745	19024	11797	19873	10192	6109	-40.05
<i>Latvia</i>	220	1875	196	233	1398	246	1366	454.74
<i>France</i>	2093	15304	4729	2350	6381	2849	1269	-55.46
<i>Finland</i>	1625	4357	4711	3180	2533	1133	984	-13.16
<i>Belgium</i>	60	5550	695	362	2587	1397	770	-44.90
<i>Denmark</i>	0	0	0	459	356	254	380	49.56
<i>Poland</i>	476	8574	270	1216	2774	1908	281	-85.26
Ukraine	0	1498	5674	10745	5619	1631	1710	4.83
Argentina	0	2696	504	1260	8111	2318	1411	-39.14
Uruguay	0	0	0	2000	3950	1700	1150	-32.35

Source: Customs Committee of Russia / Federal Customs Service

*Excluding Belarus